

Zap-Lok Pipeline Systems, Inc. 22 Hilliard St. Cambridge, Massachusetts 02138

RE: General Notice Letter for the CES Environmental Services, Inc. - Houston Superfund Site in Houston, Harris County, Texas

Dear Sir/Madam:

The purpose of this letter is to notify you of your potential liability at the CES Environmental Services, Inc. - Houston Superfund Site (Site) and to invite you to join in settlement negotiations with the U.S. Environmental Protection Agency (EPA). The street address for the Site is 4904 Griggs Road, Houston, Harris County, Texas. The street addresses of the contiguous properties that are part of the Site are 4900 Griggs Road and 5910 Wayland Street. The Site is surrounded by residential, educational and commercial properties. Based on available information, the EPA has determined that you may be responsible under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), commonly known as the federal "Superfund" law, for cleanup of the Site or costs the EPA has incurred in cleaning up the Site.

Explanation of Potential Liability

A Superfund Site is a place that is contaminated with hazardous substances at levels that may present a threat to human health or the environment. Under Sections 106 and 107 of CERCLA, 42 U.S.C. §§ 9606 and 9607, potentially responsible parties (PRPs) may be required to perform cleanup actions to protect the public health and welfare or the environment. PRPs may also be responsible for costs incurred by the EPA in cleaning up the Site. PRPs include current and former owners and operators of the Site, as well as persons who sent or transported hazardous substances to the Site for disposal or treatment or who arranged for the disposal or treatment of hazardous substances at the Site.

Under CERCLA, specifically Sections 106(a) and 107(a), PRPs may be required to perform cleanup actions to protect the public health, welfare, or the environment. PRPs may also be responsible for costs incurred by the EPA in cleaning up the Site, unless the PRP can show divisibility of harm or any of the statutory defenses. PRPs include current and former owners and operators of a site, as well as persons who arranged for treatment and/or disposal of any hazardous substances found at the site, and persons who accepted hazardous substances for transport and selected the site to which the hazardous substances were delivered

You have been identified as a PRP who either sent hazardous substances for disposal or treatment to the Site or generated certain hazardous substances that the EPA has found at the Site. For this reason, the attached General Notice concerning the removal action (Enclosure 1) is being sent to you. The General Notice requests your cooperation in conducting the on-going removal action at the Site and for reimbursement of past and future costs. Enclosure 2 contains copies of the documents used to identify you as a PRP. Enclosure 3 contains a list of the entities who are receiving this General Notice.

Site Background

This Site is a former chemical recycling facility that filed for bankruptcy in 2010. Prior to the bankruptcy, the Site had been owned and operated by CES Environmental Services, Inc. The Site is now under the control of a Trustee for the Estate appointed by the Bankruptcy Court. The Estate does not have the funding necessary to address the conditions at the Site. The Site consists of approximately 11 vacuum boxes, two roll-off boxes, 12 frac tanks, two tanker trailers, 20 aboveground storage tanks, 15 waste water treatment tanks, waste piles, and numerous totes, vats, drums, and smaller containers. Additionally, there is spillage of chemicals to exterior surfaces as well as building interiors. The Site has experienced significant vandalism since its bankruptcy in 2010, including recent vandalism that caused additional spillage of chemicals and waste to the ground surface and into an adjacent residential neighborhood. Emergency responses to these spills have involved the Estate, City of Houston, Texas Commission on Environmental Quality (TCEQ) and the EPA. These spill responses were addressed by TCEQ and the EPA.

The information provided by the Estate's consultant shows that there are hazardous wastes along with various hazardous substances within containers located on the Site. The hazardous substances include but are not limited to benzene (D018), creosol (D023-026), 2,4,6-trichlorophenol (D042), pH (D002), ignitability (D001), MEK (D035), and 1,2-dichloroethane (D028). These chemicals are hazardous substances as defined by Section 101(14) of CERCLA, 42 U.S. C. 9601(14), and further defined at 40 C.F.R. 302.4.

On June 10, 2015, the Texas Commission on Environmental Quality signed a Voluntary Cleanup Program Agreement with the CES Griggs Road PRP Group (CES Group). The agreement requires the CES Group submit to TCEQ an Affected Property Assessment Report not later than December 31, 2015, a Response Action Plan not later than 120 days after TCEQ's approval of Affected Property Assessment Report, and a Response Action Completion Report not later than 90 days after completion of the response action. The agreement also requires the CES Group establish and maintain a website accessible to the public to keep the public informed of ongoing activities at the Site.

Response Actions to Date

On or about September 3, 2014, the EPA mobilized its contractors to begin addressing the wastes and spills at the Site. On June 10, 2015, the EPA demobilized from the Site.

As of June 3, 2015, the EPA Team and the Trustee had addressed the following:

- 1. Management of storm water to reduce off-site overflow of contaminated storm water from the Site.
- 2. Removal of wastes from ten of twelve vacuum boxes and from two of two roll-off boxes.
- 3. Removal of wastes from eight of twelve frac tanks. Three frac tanks currently hold wastes.

- 4. Removal of liquid, i.e., pump able, wastes from eleven of twenty-three aboveground storage tanks (AST). Sludge and residual materials remain until sludge removal and tank cleaning of ASTs is completed.
- 5. Empty totes/drums have been segregated for temporary storage.
- 6. Waste piles dumped to the ground from the theft of seven roll-off boxes was removed by the Trustee.
- 7. Lab chemicals/company process samples were collected and disposed by the Trustee.
- 8. Process chemicals were collected and disposed by the Trustee.
- 9. Waste piles dumped to the ground from the theft of seven roll-off boxes was removed by the Trustee.
- 10. Lab chemicals/company process samples were collected and disposed of by the Trustee.
- 11. Process chemicals were collected and disposed by the Trustee.

Upon reviewing the enclosed General Notice, please provide a written response to Mr. Robert Werner, Enforcement Officer at 214-665-6724 within **30 calendar days** after you receive this letter. Your response must identify your intent to, or not to, enter into settlement negotiations with the EPA concerning this matter. Please mail your written response to Mr. Werner at the address that appears in the General Notice.

We look forward to working with you during the coming months.

Sincerely yours,

Carl E. Edlund, P.E. Director Superfund Division

Enclosures (4)